

The Honorable Marsha J. Pechman

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

IN RE WASHINGTON MUTUAL
MORTGAGE BACKED SECURITIES
LITIGATION

This Document Relates to: ALL CASES

MASTER CASE NO. C09-037 MJP

**DECLARATION OF MICHAEL A.
SANFILIPPO IN SUPPORT OF
DEFENDANTS' REPLY IN SUPPORT OF
THEIR MOTION TO PRECLUDE USE OF
UNTIMELY DISCLOSED EXPERT
OPINIONS OF IRA HOLT AND CHARLES
D. COWAN PURSUANT TO FED. R. CIV.
P. 37(c)(1)**

Declaration of Michael A. Sanfilippo in Support of Defendants' Reply in Support of Their Motion To Preclude Use of Untimely Disclosed Expert Opinions of Ira Holt and Charles D. Cowan Pursuant to Fed. R. Civ. P. 37(c)(1) - (CV09-037 MJP)

HILLIS CLARK MARTIN & PETERSON P.S.
1221 Second Avenue, Suite 500
Seattle, Washington 98101-2925
Telephone: (206) 623-1745
Facsimile: (206) 623-7789

I, MICHAEL A. SANFILIPPO, hereby declare as follows under penalty of perjury pursuant to 28 U.S.C. § 1746:

1. I am an attorney at law licensed to practice in the State of New York. I am an associate of the firm of Cravath, Swaine & Moore LLP, counsel of record for Defendants WaMu Asset Acceptance Corp. and WaMu Capital Corp. (collectively, the “WaMu Defendants”) in this matter. I submit this declaration in support of Defendants’ Reply in Support of Their Motion To Preclude Use of Untimely Disclosed Expert Opinions of Ira Holt and Charles D. Cowan Pursuant to Fed. R. Civ. P. 37(c)(1). By virtue of my representation of the WaMu Defendants in this matter, I have personal knowledge of the facts set forth below, or knowledge based on information and belief, and could and would testify competently to those facts if called to do so.

2. Attached as Exhibit 1 is a true and correct copy of one of the exhibits to the March 30, 2012 rebuttal expert report of Defendants' underwriting expert, George Ostendorf. Personally identifying and financial information has been redacted from the exhibit to protect the individual borrower's privacy. The exhibit illustrates the detailed analysis that Mr. Ostendorf undertook with respect to each loan that Mr. Holt claimed was materially defective (out of the original 424 loan sample). For each such loan, Mr. Ostendorf and his staff reviewed the applicable underwriting guidelines, the relevant loan file (which typically was at least several hundred pages long), populated 90 fields of information on the attached exhibit and, where appropriate, offered a point-by-point analysis and rebuttal of the alleged deficiencies raised by Mr. Holt.

I hereby declare, under penalty of perjury under the laws of the United States of America, that the foregoing is true and correct. 

DATED this 22nd day of June, 2012, at New York, New York.

Michael A. Sanfilippo

*Declaration of Michael A. Sanfilippo in Support of
Defendants' Reply in Support of Their Motion To
Preclude Use of Untimely Disclosed Expert Opinions of
Ira Holt and Charles D. Cowan Pursuant to
Fed. R. Civ. P. 37(c)(1) - (CV09-037 MJP)*

HILLIS CLARK MARTIN & PETERSON P.S.
1221 Second Avenue, Suite 500
Seattle, Washington 98101-2925
Telephone: (206) 623-1745
Facsimile: (206) 623-7789

Exhibit 1

(1) Loan Number:	Redaction	(2) Deal ID:	Redaction	(3) Tranche:	Redaction	(4) Borrower Name:	(5) Co-Borrower Name:	(6) Subject Property Address:	Redaction
Loan Type		Loan Profile				Property			
(7) Type:	Interest Only ARM	(12) Origination Date:	Redaction	(19) Original LTV:	Redaction	(25) Property Type:	Redaction	(29) 2nd Appraisal Value:	Redaction
(8) ARM Features:	7/1 Libor	(13) Lock Date:	Redaction	(20) Doc Type:	Redaction	(26) # of Units:	Redaction	(30) 2nd Appraisal Date:	Redaction
(9) CUG Date:	04/07/2006	(14) Closing Date:	Redaction	(21) Lien Position:	Redaction	(27) Appraisal Value:	Redaction	(31) Purchase Price:	Redaction
(10) PPG Date:	04/11/2006	(15) First Payment Date:	Redaction	(22) Other Financing:	Redaction	(28) Appraisal Date:	Redaction	(32) Original List Price:	Redaction
(11) Channel:	Premier Broker	(16) Original Balance:	Redaction	(23) MI?:	Redaction				
		(17) Qual. Note Rate:	Redaction	(24) Payment Shock Analysis Req?:	Redaction				
		(18) Initial Note Rate:	Redaction		Redaction				

(33) Loan Purpose:	Redaction	(35) Occupancy:	Redaction	(37) AUS & AUS Decision:	Redaction
(34) First Time Home Buyer?	Redaction	(36) Total Number of Properties Owned:	Redaction		Liabilities
Employment/Income					
(38) B1 Occupation:	Redaction	(49) B2 Occupation:	Redaction	(60) Mtg(s):	Redaction
(39) B1 Employer:	Redaction	(50) B2 Employer:	Redaction	(61) Installments:	Redaction
(40) B1 Employer City & State:	Redaction	(51) B2 Employer City & State:	Redaction	(62) Revolving:	Redaction
(41) B1 Yrs in Industry:	Redaction	(52) B2 Yrs in Industry:	Redaction	(63) Garnishments:	Redaction
(42) B1 Yrs in Job:	Redaction	(53) B2 Yrs in Job:	Redaction	(64) P&I:	Redaction
(43) B1 3rd Party Verification Required?	Redaction	(54) B2 3rd Party Verification Required?	Redaction	(65) 2nd Mtg:	Redaction
(44) B1 Employer Verification Type:	Redaction	(55) B2 Employer Verification Type:	Redaction	(66) Taxes:	Redaction
(45) B1 Monthly Income:	Redaction	(56) B2 Monthly Income:	Redaction	(67) HOI/HOA:	Redaction
(46) B1 Citizenship?	Redaction	(57) B2 Citizenship?	Redaction	(68) Other:	Redaction
(47) B1 SSN Available?	Redaction	(58) B2 SSN Available?	Redaction	(69) Total of (64) through (68):	Redaction
(48) B1 Years in Previous Residence:	Redaction	(59) B2 Years in Previous Residence:	Redaction		

Credit Profile					
<i>Comparison Analysis:</i>	<i>Guidelines</i>	<i>Guide Citation</i>	<i>Origination</i>	<i>Quattro</i>	<i>Holt</i>
(70) Housing Ratio:	27.690%	CUG pgs 6-10	Redaction	20.292%	Holt disallowed B2 income. See #89 below. Redaction
(71) Debt to Income Ratio:	31.020%	CUG pgs 6-10	Redaction	28.147%	Holt disallowed B2 income. See #89 below. Redaction
(72) PITI:	Portion of monthly payment	CUG pgs G-15	Redaction	\$102.46	Holt used lower taxes and insurance premium
(73) Loan Amount:	\$1,000,000	PPG pgs 2-76	Redaction	\$0.00	
(74) Combined Loan Amount:	NA	NA	Redaction	\$0.00	
(75) Credit Score:	680	PPG pgs 2-67	Redaction	0	
(76) Trade Lines:	No Minimum	CUG pgs 3-13	Redaction	0	
(77) Mortgage/Rental History:	0x30 in last 12 mos	CUG pgs 3-20	Redaction	0	
(78) Income:	Must be reasonable	CUG pgs 4-3	Redaction	\$7,083.00	Holt disallowed B2 income. See #89 below. Redaction
(79) Assets:	ID borrower acct info	CUG pgs 5-2	Redaction	\$256,715.16	Retirement statements and HUD from sale of existing residence in file.
(80) Required Reserves in \$ & mos.:	6 Months PITI	CUG Pgs 5-5	Redaction	0	
(81) LTV:	90.00%	PPG pgs 2-76	Redaction	0.000%	
(82) CLTV:	NA	NA	Redaction	0.000%	
(83) Cash Out:	NA	NA	Redaction	\$0.00	
(84) Cash to Close:	Borrowers own funds	CUG pgs 5-2	Redaction	\$194,760.74	Retirement statements and HUD from sale of existing residence in file.
(85) Payment Shock:	NA	NA	Redaction		
(86) Open Collections/Judgments/Liens:	NA	NA	Redaction		

Assessment of Loan Audit					
(87) Reported Defects:	(88) Assessment:			(89) Other:	
1. DTI exceeds guidelines when correctly calculated 2. Missing required verification of employment 3. Missing asset verification documentation 4. Missing approval documentation	1. B2 income is [REDACTED] Work Number verification dated 04/13/2006, states date of hire [REDACTED] is a [REDACTED] and is an active employee. When B2 income is included, DTI is within published DTI guideline for manual underwriting: 30/38% (CUG pg. 6-10). 2. Work Number verification dated 04/13/2006, states date of hire [REDACTED] is a [REDACTED] Corporal and is an active employee. When B2 income is included DTI is within guidelines 3. Final HUD in file dated [REDACTED] showing proceeds of [REDACTED] on sale of previous residence. Funds to close for subject loan sent directly from the sale escrow 4. Final underwriting approval dated [REDACTED] in file			1. Regarding asset documentation, there is also a [REDACTED] retirement statement in file for [REDACTED] with a balance of [REDACTED] which is not included in verified assets.	
(90) Conclusion(Agree/Disagree): Disagree	HIGHLY CONFIDENTIAL			Ostendorf Reviewed: Yes	

CERTIFICATE OF SERVICE

I hereby certify that on the 22nd day of June, 2012, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

Adam Zurofsky azurofsky@cahill.com

Amanda F. Lawrence alawrence@scott-scott.com

Anne L. Box abox@scott-scott.com

Barry Robert Ostrager bostrager@stblaw.com, managingclerk@stblaw.com

Bradley T. Meissner bradley.meissner@dlapiper.com

10 | Brian O. O'Mara bo'mara@rgrdlaw.com, e_file_sd@rgrdlaw.com

11 || Christopher E Lometti clometti@cohenmilstein.com

12 Daniel B Rehns drehns@cohenmilstein.com, efilings@cohenmilstein.com

13 | Darren J Robbins e file sd@csgrr.com

14 | David Daniel Hoff dhoff@tousley.com, efile@tousley.com

Douglas C McDermott doug@mcdermottnewman.com, eric@mcdermottnewman.com

16 | Daniel Slifkin dslifkin@cravath.com

17 | Edward C. Signaigo esignaigo@scott-scott.com

18 | Evan R. Chesler echesler@cravath.com

19 | Floyd Abrams fabrams@cahill.com

20 Gavin Williams Skok gskok@riddellwilliams.com, isherred@riddellwilliams.com,

21 | jmoore@riddellwilliams.com

22 | Geoffrey M Johnson gjohnson@scott-scott.com, efile@scott-scott.com

23 | Hal D Cunningham hcunningham@scott-scott.com, efile@scott-scott.com.

24 || halcunningham@gmail.com

Hector J. Valdes Rivas

HILLIS CLARK MARTIN & PETERSON P.S.

1221 Second Avenue, Suite 500

1221 Second Avenue, Suite 300
Seattle, Washington 98101-2925

Seattle, Washington 98101
Telephone: (206) 623-1745

Facsimile: (206) 623-7789

1 Hollis Lee Salzman (Terminated) hsalzman@labaton.com, ElectronicCaseFiling@labaton.com
2 James J. Coster jcoster@ssbb.com, jregan@ssbb.com, managingclerk@ssbb.com
3 Janissa Ann Strabuk jstrabuk@tousley.com, lrolling@tousley.com,
4 wcruz@tousley.com
5 Jason T Jasnoch jjasnoch@scott-scott.com, efile@scott-scott.com
6 Jesse M. Weiss jweiss@cravath.com
7 Joel P Laitman jlaitman@cohenmilstein.com
8 John D Lowery jlowery@riddellwilliams.com, dhammonds@riddellwilliams.com
9 John D. Pernick john.pernick@bingham.com
10 John T. Jasnoch jjasnoch@scott-scott.com
11 Jonathan Gardner jgardner@labaton.com
12 Joseph P Guglielmo jguglielmo@scott-scott.com, efile@scott-scott.com
13 Joseph A. Fonti (Terminated) jfonti@labaton.com, ElectronicCaseFiling@labaton.com
14 Joshua M. Rubins jrubins@ssbb.com, jregan@ssbb.com, managingclerk@ssbb.com
15 Joshua S. Devore jdevore@cohenmilstein.com, efilings@cohenmilstein.com
16 Julie Goldsmith Reiser jreiser@cohenmilstein.com
17 Julie Hwang (Terminated) jhwang@labaton.com, ElectronicCaseFiling@labaton.com
18 J. Wesley Earnhardt wearhardt@cravath.com
19 Kenneth J Pfaehler kenneth.pfaehler@sndenton.com, nicole.reeber@sndenton.com
20 Kenneth M Rehns krehns@cohenmilstein.com
21 Kerry F Cunningham kerry.cunningham@dlapiper.com
22 Kevin P Chavous kchavous@sonnenschein.com
23 Kim D Stephens kstephens@tousley.com, cbonifaci@tousley.com, lrolling@tousley.com,
24 wcruz@tousley.com
25

Certificate of Service
(CV09-037 MJP)

HILLIS CLARK MARTIN & PETERSON P.S.
1221 Second Avenue, Suite 500
Seattle, Washington 98101-2925
Telephone: (206) 623-1745
Facsimile: (206) 623-7789

1 Larry Steven Gangnes gangnesl@lanepowell.com, docketingsea@lanepowell.com,
2 donnellyjossm@lanepowell.com, sebringl@lanepowell.com
3 Leslie D Davis ldavis@sonnenschein.com
4 Mary Kay Vyskocil mvyskocil@stblaw.com
5 Matthew B. Kaplan mkaplan@cohenmilstein.com, efilings@cohenmilstein.com
6 Michael A. Paskin mpaskin@cravath.com
7 Michael H. Barr mbarr@sonnenschein.com
8 Nancy A Pacharzina (Terminated) npacharzina@tousley.com, mhottman@tousley.com
9 Paul Scarlato pscarlato@labaton.com, ElectronicCaseFiling@labaton.com
10 Paul Joseph Kundtz pkundtz@riddellwilliams.com, mbergquam@riddellwilliams.com,
11 mdowns@riddellwilliams.com
12 Richard A Speirs rspeirs@cohenmilstein.com
13 Richard F Hans richard.hans@dlapiper.com, dorinda.castro@dlapiper.com
14 Robert D Stewart stewart@kiplinglawgroup.com
15 Rogelio Omar Riojas omar.riojas@dlapiper.com, karen.hansen@dlapiper.com,
16 nina.marie@dlapiper.com
17 Ryan Wagenleitner rwagenleitner@scott-scott.com
18 S Douglas Bunch dbunch@cohenmilstein.com
19 Serena Rich ardson (Terminated) srichardson@labaton.com,
20 ElectronicCaseFiling@labaton.com
21 Stellman Keehnel stellman.keechnel@dlapiper.com, patsy.howson@dlapiper.com
22 Stephen M. Rummage steverummage@dwt.com, jeannecadley@dwt.com,
23 seadocket@dwt.com
24 Steve W. Berman steve@hbsslaw.com, heatherw@hbsslaw.com, robert@hbsslaw.com
25 Steven J Toll stoll@cohenmilstein.com, efilings@cohenmilstein.com

Certificate of Service
(CV09-037 MJP)

HILLIS CLARK MARTIN & PETERSON P.S.
1221 Second Avenue, Suite 500
Seattle, Washington 98101-2925
Telephone: (206) 623-1745
Facsimile: (206) 623-7789

1 Steven P Caplow stevencaplow@dwt.com, jasonSchattenkerk@dwt.com,
2 patrickwatts@dwt.com, seadocket@dwt.com, sheilarowden@dwt.com

3 Steven W Fogg sfogg@correronin.com, hpowell@correronin.com,
4 reception@correronin.com

5 Susan L. Hoffman susan.hoffman@bingham.com

6 Tammy Roy troy@cahill.com

7 Thomas G. Rafferty trafferty@cravath.com

8 Timothy Michael Moran moran@kiplinglawgroup.com, cannon@kiplinglawgroup.com

9 Walter W. Noss wnoss@scott-scott.com, efile@scott-scott.com

10 DATED this 22nd day of June, 2012 at Seattle, Washington.

11 By: /s/ Louis D. Peterson
12 Louis D. Peterson, WSBA #5776
13 1221 Second Avenue, Suite 500
Seattle, WA 98101-2925
Telephone: (206) 623-1745
Facsimile: (206) 623-7789
Email: ldp@hcmp.com

25
24
23
22
21
20
19
18
17
16
15
Certificate of Service
(CV09-037 MJP)

HILLIS CLARK MARTIN & PETERSON P.S.
1221 Second Avenue, Suite 500
Seattle, Washington 98101-2925
Telephone: (206) 623-1745
Facsimile: (206) 623-7789